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(PART C. Other Provisions)

9. Cost Estimates

a. Some of the provisions described above can be put into effect without any increase in cost to the Agency; in at least one case, a slight saving might be realized; in most of the remainder, the estimated costs are relatively minor. For the most part, those items involving additional costs are those required to maintain our overseas benefits on a basis comparable to those afforded Foreign Service personnel.

b. Taking these provisions in the order in which they have been presented above, our best estimate of the additional costs involved on an annual basis are as follows:

(1) Rest and Recuperation Travel

Based on a review of Agency posts which have been included under the comparable Foreign Service program, we estimate the annual cost

[REDACTED]

(2) Dependents Accompanying Employee on Temporary Duty

Based on the normal requirements for detailing or re-routing an employee for orientation and training while he is ~~en route~~ en route to ^{the} his post of duty, we estimate the average annual cost of permitting ~~the~~ the dependents ^{travel} to remain with such employee [REDACTED]

(3) Eighteen-Month Home Leave

Although the basic cost of home leave (as authorized in the Annual and Sick Leave Act of 1951, as amended) is substantial, the effect of the proposed amendment is to extend the pre-requisite period of overseas service at some posts and to reduce it at others while continuing the present two-year period at the remainder. The fact that a number of employees already remain at their posts for Release 2002/08/01 : CIA-RDP75B00380R000500030004-4

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is a complicating factor in estimating costs. However, we believe that the application of this provision will result in a larger number of three-year tours which will more than offset the number of 18-month tours and that a slight ^{and} saving may be realized.

(4) Hospitalization and Travel for Medical Treatment

Estimating the cost of these provisions is complicated by the fact that a considerable number of claims covered under our present authorities are paid through the cover agency concerned and also by the fact that the modifications bringing these provisions in conformance with current Foreign Service legislation involves their application to situations which are only slightly different from those described in our present section 4. We estimate the actual annual costs of medical claims paid directly by the Agency to be

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In terms of the specific provisions mentioned above, we estimate annual costs as follows:

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Medical expenses of dependents

Travel expenses of dependents in cases involving hospitalization

Travel expenses of dependents in cases not involving hospitalization

Travel expenses of employees in cases not involving hospitalization

Total

(5) Reemployment Rights

No costs are involved in this provision.

(6) Claims Authority

The Agency does not have any similar authority at present and there is no factual record on which to base an estimate. However, our general

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experience with the type of situation which might arise under this section suggests that the annual cost would be [REDACTED]

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(7) Tax Exemption of Disability Annuities

This provision does not involve any cost to the Agency.

(8) Authority to Accept Gifts

It is anticipated that there would be no direct costs involved in the implementation of this provision. Nevertheless, there is the possibility that the receipt of substantial gifts might involve modest indirect costs at various administrative levels. We believe that these costs might total [REDACTED]

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Attachments:

Appendix I, Sectional Analysis and Explanation

Appendix II, Comparison of ~~Foreign Service~~ Civil Service, Foreign Service, and Proposed Agency Retirement Systems

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	APPROVAL	DISPATCH	RECOMMENDATION
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Remarks:

Joe - This is what I drafted on "Title I costs" on the basis of the notes I made in today's meeting. I have added a little flesh to the bones of the outline--perhaps too much. No pride of authorship is involved!

[REDACTED]

P.S. When you have some time, I'd like to go over the "editorial" [REDACTED] I have

[REDACTED]

FROM: NAME, ADDRESS AND PHONE NO.		DATE
Exec Asst to D/Pers		7 May 63
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